

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1006 be amended to read as follows:

1 Page 43, between lines 29 and 30, begin a new paragraph and insert:
2 "SECTION 39. IC 12-19-5-3 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 3. (a) Upon receiving
4 a resolution under section 2 of this chapter, the county director shall
5 submit the appeal and the division's resolution to the county fiscal
6 body. Upon receiving the appeal and the resolution, the county fiscal
7 body shall as soon as possible determine whether or not to loan the
8 requested amount to the county office.

9 (b) If the county fiscal body votes to allow a loan to be made, the
10 county auditor on behalf of the county office shall borrow the money
11 from a financial institution **or from the state board of finance under**
12 **IC 12-19-7.5.**

13 (c) If the county fiscal body determines that the county office should
14 not be allowed to borrow money, the county fiscal body shall inform
15 the county director of the county fiscal body's decision."

16 Page 49, between lines 18 and 19, begin a new paragraph and insert:
17 "SECTION 49. IC 12-19-7-16 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 16. (a) The county
19 executive shall consider and act upon an estimate and statement under
20 section 15 of this chapter at:

21 (1) the county executive's regular session immediately following
22 the filing of the estimate and statement; or

23 (2) a special session that is:

24 (A) called for the purpose of considering and acting upon the

1 estimate and statement; and

2 (B) called before the executive's regular session described in
3 subdivision (1).

4 (b) The county executive shall, for and on behalf of the county,
5 borrow sufficient money **from a financial institution or from the**
6 **state board of finance under IC 12-19-7.5** to carry out the purposes
7 described in section 15 of this chapter if after consideration of the
8 estimate and statement the county executive finds the following:

9 (1) That the county director has not appealed to borrow money
10 under IC 12-19-5 or that the appeal has been denied.

11 (2) That the amount of money required, in addition to any money
12 already available, to defray the expenses and pay the obligations
13 of the county office in the administration of the county's child
14 services for the unexpired part of the fiscal year, is greater than
15 the amount of money that may be advanced from the general fund
16 of the county.

17 SECTION 50. IC 12-19-7-18 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 18. (a) In authorizing
19 a loan under section 16 of this chapter, the county fiscal body:

20 (1) shall act by ordinance; and

21 (2) may adopt the ordinance under this section at a regular
22 meeting without giving special notice if requested by the county
23 executive.

24 (b) The county fiscal body may:

25 (1) finally adopt the ordinance at the meeting at which the
26 ordinance is first presented; or

27 (2) adjourn from day to day for further consideration of the
28 ordinance.

29 (c) The county fiscal body is not required to make an itemized
30 appropriation of the proceeds of the bonds **or of a loan made by the**
31 **state board of finance under IC 12-19-7.5** at the time the bonds are
32 issued **or the loan proceeds from the state board of finance are**
33 **received.** Except as provided in section 27 of this chapter, the entire
34 proceeds of the bonds **or loan proceeds from the state board of**
35 **finance:**

36 (1) shall be placed in the family and children's fund; and

37 (2) are periodically subject to appropriation as required by this
38 article.

39 SECTION 51. IC 12-19-7-19 IS AMENDED TO READ AS
40 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 19. An ordinance
41 adopted by the county fiscal body authorizing a loan under this chapter
42 must do the following:

43 (1) Authorize the issuance of the bonds of the county to evidence
44 the loan **or authorize the county to enter into an agreement**
45 **with the state board of finance under IC 12-19-7.5 concerning**
46 **the loan.**

(2) Fix the following:

(A) The loan's maximum amount, which may be less than the amount shown by the estimate of the county director.

(B) **If bonds are issued**, the number of semiannual series in which the bonds are payable, which may not exceed twenty (20).

SECTION 52. IC 12-19-7-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 21. If the proceeds of the bonds **or of a loan** authorized under this chapter are insufficient to enable the county to administer the child services of the county for the unexpired part of the fiscal year, additional loans may be made for that time."

Page 49, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 54. IC 12-19-7-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 22. (a) After the adoption of the bond ordinance by the county fiscal body **or of the ordinance by the county fiscal body authorizing a loan from the state board of finance under IC 12-19-7.5**, the county executive shall enter an order that does the following:

(1) Fixes the exact amount of the proposed loan. The amount of the proposed loan must be the maximum amount provided in the bond **or loan** ordinance, less any amount to be advanced from the general fund of the county.

(2) **If bonds are issued**, fixes the exact rate of interest on the bonds or provides that the interest rate must be the lowest interest rate bid on the bonds. The interest rate may not exceed the maximum interest rate provided in the bond ordinance.

(b) The county executive may:

(1) fix the denominations of the bonds; or

(2) provide that the bonds shall be issued in denominations requested by the successful bidder.

(c) The denominations selected under subsection (b) may not change the amount of the serial maturities of the bonds.

(d) The county executive shall adopt the form of bond to be used in the issuance of the bonds. The form shall be substantially followed in the issuance of the bonds.

SECTION 55. IC 12-19-7-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 23. Upon the adoption of the order of the county executive under section 22 of this chapter, the county auditor shall give notice of the determination to make the loan and, **if applicable**, to issue the bonds.

SECTION 56. IC 12-19-7-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 28. (a) All bonds issued under this chapter **or loans from the state board of finance under IC 12-19-7.5**:

(1) are direct general obligations of the county issuing the bonds;

1 and

2 (2) are payable out of unlimited ad valorem taxes that shall be
3 levied and collected on all the taxable property within the county.

4 (b) Each official and body responsible for the levying of taxes for
5 the county must ensure that sufficient levies are made to meet:

6 (1) the principal and interest on the bonds at the time fixed for the
7 payment of the principal and interest; **and**

8 (2) **the principal of loans from the state board of finance**
9 **under IC 12-19-7.5 at the time fixed for the payment of the**
10 **principal;**

11 without regard to any other statute. If an official or a body fails or
12 refuses to make or allow a sufficient levy required by this section, the
13 bonds and the interest on the bonds **or on the loan under**
14 **IC 12-19-7.5, as appropriate**, shall be payable out of the general fund
15 of the county without appropriation.

16 SECTION 57. IC 12-19-7-29 IS AMENDED TO READ AS
17 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 29. (a) Upon approval
18 of the county executive, the auditor may pay out of the proceeds of the
19 bonds **or of the loan from the state board of finance under**
20 **IC 12-19-7.5** without further appropriation the cost of the following:

21 (1) Publishing the notice of determination and the bond sale
22 notice.

23 (2) The printing of the bonds.

24 (3) The expense for legal services incurred in the sale of the
25 bonds.

26 (4) Reimbursing the general fund for advancements made to the
27 family and children's fund.

28 (b) The proceeds of the bonds **or of the loan from the state board**
29 **of finance under IC 12-19-7.5** remaining after the payment of the
30 costs of the issuance of the bonds **or reimbursement under**
31 **subsection (a)** shall be paid into and are a part of the family and
32 children's fund.

33 SECTION 58. IC 12-19-7-31 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 31. Upon the
35 affirmative vote of two-thirds (2/3) of the members of the county fiscal
36 body, a county may **borrow from the state board of finance under**
37 **IC 12-19-7.5** or issue the county's serial bonds for an amount not
38 exceeding in aggregate the amount for which the county is indebted for
39 the use of the family and children's fund if the following conditions
40 exist:

41 (1) The indebtedness for the use of the family and children's fund
42 is evidenced by bonds, notes, judgments, or obligations that are:

43 (A) issued or negotiated by the county; or

44 (B) rendered against the county.

45 (2) The serial bonds are issued **or the loan is taken** for any of the
46 following purposes:

(A) Funding or refunding the indebtedness or any part of the indebtedness.

(B) Reducing the rate of interest on the indebtedness.

(C) Extending the time of payment of the indebtedness.

(D) Canceling the amount of the indebtedness that becomes due.

SECTION 59. IC 12-19-7-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 33. (a) The county fiscal body shall add to the tax duplicate of the county:

(1) an annual levy sufficient to pay the yearly interest on the bonds issued under section 31 of this chapter; and

(2) an annual levy sufficient to provide a sinking fund for the liquidation of the principal as the principal becomes due. The sinking fund shall be applied solely to the payment of the bonds.

(b) If the county fiscal body fails to levy a tax sufficient to pay the interest on the bonds or to liquidate the principal of the bonds **and the loans under IC 12-19-7.5** as the principal becomes due, the county auditor shall levy the tax or increase the tax levy made by the county fiscal body in the amount necessary to pay the interest and to retire the bonds **and loans** as the bonds **and loans** become due.

(c) Notwithstanding any other law, the tax levy may not be reduced below the amount required under this section.

SECTION 60. IC 12-19-7.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]:

Chapter 7.5. State Loans for Certain Welfare Expenses

Sec. 1. As used in this chapter, "board" refers to the state board of finance.

Sec. 2. A county may apply for a loan under this chapter if the county fiscal body votes to apply for the loan under IC 12-19-5-3 or the county executive votes to apply for the loan under IC 12-19-7-16.

Sec. 3. (a) The board shall make a loan from the state general fund to the county if:

(1) the county has applied for the loan under IC 12-19-5-3; and

(2) based on information supplied by the county and the state board of tax commissioners, the board determines that the amount of money in the county's family and children's fund will be exhausted before the end of the county's fiscal year and will be insufficient to fund the appropriate services within the county under IC 12-19.

(b) The board shall make a loan from the state general fund to the county if:

(1) the county has applied for the loan under IC 12-19-7-16; and

(2) based on information supplied by the county and the state

board of tax commissioners, and after considering the estimate and statement prepared under IC 12-19-7-15, the board finds the following:

(A) That the county has not applied for a loan under IC 12-19-5-3 or that the application has been denied.

(B) That the amount of money required, in addition to any money already available, to defray the expenses and pay the obligations of the county office in the administration of the county's child services for the unexpired part of the county's fiscal year, is greater than the amount of money that may be advanced from the general fund of the county.

Sec. 4. (a) The state board of tax commissioners shall compute the amount of the loan that a county is eligible to receive in a calendar year under this chapter.

(b) The amount of the loan shall be the lesser of the following:

(1) The amount sought by the county.

(2) The amount of the funding shortfall found by the board under section 3 of this chapter.

(3) An amount equal to fifty percent (50%) of the county's advertised welfare levy for the previous year.

(c) The state board of tax commissioners shall transmit sufficient information to the board to consider the application of the county.

(d) The state board of finance shall provide a loan to a county that qualifies under section 3 of this chapter not more than thirty (30) days after the application is filed by the county.

Sec. 5. (a) The board and the county shall enter into a written agreement governing the terms and conditions of the loan. However, interest may not be charged on the loan. A loan made under section 3(a) of this chapter must be repaid not more than ten (10) years after the loan is made. A loan made under section 3(b) of this chapter must be repaid not more than twenty (20) years after the loan is made.

(b) Loan proceeds shall be distributed to a county according to a schedule agreed to by the board and the county.

(c) The loan shall be repaid only from property tax revenues of the county collected under IC 12-19.

Sec. 6. (a) Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the state general fund.

(b) The payment of any installment of principal constitutes a first charge against property tax revenues collected by the county during the calendar year the installment is due and payable.

(c) In addition to any other remedy available to the board, the board may offset the amount of any delinquent payment on the loan from property tax replacement credit or homestead credit distributions otherwise due the county. If a county is delinquent in

1 repaying a loan granted under this chapter, the board may certify
2 the amount of the delinquency to the auditor of state and the
3 department of state revenue. Upon receiving a certification under
4 this section, the auditor of state and the department of state
5 revenue shall reimburse the board in the amount of the
6 delinquency from property tax replacement credit or homestead
7 credit distributions otherwise due to the county. The auditor of
8 state and the department of state revenue shall reduce the amount
9 distributed for payment to the county by the amount paid to the
10 board under this section.

11 **Sec. 7. Beginning July 1, 2000, there is annually appropriated to**
12 **the board from the state general fund sufficient money to make the**
13 **loans provided for in this chapter.**

14 **Sec. 8. This chapter expires January 1, 2004."**

15 Renumber all SECTIONS consecutively.

(Reference is to HB 1006 as printed January 18, 2000.)

Representative Thompson